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# **1 INTRODUCTION**

The Town of Blacksburg Cost of Land Uses Study provides an in-depth analysis of the economic, real estate market, and land use conditions of the Town's six designated neighborhood districts and their capacity to support future development growth. The study analyzes how this projected growth may impact the Town's ability to fund increased municipal service levels, as well as, essential investments in public infrastructure.

The purpose of this project is to provide the Town with realistic, market-based projections relative to how the Town may develop over the next 20 years and develop an analytical tool that will allow the Town to evaluate the fiscal impacts associated with the long-range development projections reflected in the Town's Comprehensive Plan. In order to project and measure these impacts, RKG Associates, Inc. developed a spreadsheet based computer model designed to calculate the municipal cost, revenue, and debt service impacts associated with various future land use changes and alternative growth scenarios. The "Scenario Development Model" employs an average costing technique for projecting future impacts, with a marginal costing element that allows for annual updates of the base data. The "Scenario Development Model" does not provide the Town with a method for estimating the impacts of individual development projects, but rather provides a tool for evaluating "big picture" land use and development changes over a 20-year period and allows the Town to plan for future service demands in a fiscally responsible manner.

This study recognizes that the Town possesses certain tangible and intangible assets that will determine its development future. Over time, a number of

economic, market, and political forces will shape the Town's development pattern. The Town of Blacksburg does not operate in a vacuum and therefore must respond to, and capitalize on, economic and market forces that are impacting the greater region and the nation. Many of the greater forces that will shape the Town's economy in the future are largely beyond the control of the local decision-makers. However, local decisions can and will influence the outcome of individual development projects as they are proposed. Due to the complicated nature of growth and the development process, the Town should focus its energy on adopting policies and maintaining standards that articulate Blacksburg's long-term development vision and priorities.

Within this context, RKG Associates, Inc. has examined several possible development scenarios for Blacksburg over the next 20 years. The results of this analysis are contained in Chapter 6 of this report. The consultants conducted an analysis of the Town's recent history in terms of development and municipal finance trends over the past 10 years. In addition, the consultants performed several interviews with local real estate professionals, business owners, university officials and Town leaders about the development climate in Blacksburg and their view on the development potential of the Town. It is hoped that this study will assist the Town in making sound fiscal planning decisions as it plans for its future.

The Town of Blacksburg Cost of Services Study consists of the following chapters.

- Chapter 1 - Introduction
- Chapter 2 - Executive Summary
- Chapter 3 - Demographic and Economic Trends
- Chapter 4 - Real Estate Market Analysis
- Chapter 5 - Neighborhood District Analysis
- Chapter 6 - Development Impact Projection Model